

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN

FINANCIAL REPORT WITH
SUPPLEMENTARY INFORMATION

YEAR ENDED MARCH 31, 2008

Auditing Procedures Report

Instructions and MuniCodes

*=Required Fields

Reset Form

Issued under Public Act 2 of 1968, as amended. (V1.06)

Unit Name* Owosso Charter Township	County* SHIAWASSEE	Type* TOWNSHIP	MuniCode* 78-1-90
Opinion Date-Use Calendar* Aug 25, 2008	Audit Submitted-Use Calendar* 7/9/08	Fiscal Year End Month* 03	Fiscal Year* 2008

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No."

<input checked="" type="checkbox"/> ?	1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
<input type="checkbox"/> ?	2. Does the local unit have a positive fund balance in all of its unreserved fund balances (unrestricted net assets)?
<input type="checkbox"/> ?	3. Were the local unit's actual expenditures within the amounts authorized in the budget?
<input checked="" type="checkbox"/> ?	4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
<input checked="" type="checkbox"/> ?	5. Did the local unit adopt a budget for all required funds?
<input checked="" type="checkbox"/> ?	6. Was a public hearing on the budget held in accordance with State statute?
<input checked="" type="checkbox"/> ?	7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
<input checked="" type="checkbox"/> ?	8. Has the local unit distributed tax revenues that were collected for another taxing unit timely as set forth in the general property warrant?
<input checked="" type="checkbox"/> ?	9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
<input checked="" type="checkbox"/> ?	10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Auditors of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin)?
<input checked="" type="checkbox"/> ?	11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
<input type="checkbox"/> ?	12. Is the local unit free of repeated reported deficiencies from previous years?
<input checked="" type="checkbox"/> ?	13. Is the audit opinion unqualified?
	14. If not, what type of opinion is it? NA
<input checked="" type="checkbox"/> ?	15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
<input checked="" type="checkbox"/> ?	16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
<input checked="" type="checkbox"/> ?	17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
<input type="checkbox"/> ?	18. Are there reported deficiencies?
<input type="checkbox"/> ?	19. If so, was it attached to the audit report?

General Fund Revenue:	<input type="checkbox"/> \$ 738,992.16
General Fund Expenditure:	<input type="checkbox"/> \$ 519,178.29
Major Fund Deficit Amount:	\$ 0.00

General Fund Balance:	<input type="checkbox"/> \$ 1,001,093.10
Governmental Activities Long-Term Debt (see instructions):	<input type="checkbox"/>

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (reported deviations).

CPA (First Name)* Geraldine	Last Name* Terry	Ten Digit License Number* 1101026880		
CPA Street Address* 217 N Washington St	City* Owosso	State* MI	Zip Code* 48867	Telephone* +1 (989) 723-8227
CPA Firm Name* Demis and Wenzlick, P.C.	Unit's Street Address* 2998 W M - 21	Unit's City* Owosso	Unit's Zip* MI	

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
MARCH 31, 2008

BOARD OF TRUSTEES AND ADMINISTRATION

Richard Gute	Supervisor
Judy Gute	Clerk
June Cudney	Treasurer
Diane Krajcovic	Trustee
Danny Miller	Trustee
Gary Schultz	Trustee
Jayne Campbell	Trustee

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN

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OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN

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DEMIS and WENZLICK, P.C.

Certified Public Accountants

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Vicki Schuler
Joyce Simmons
Barbara Wenzlick
Bruce Wenzlick

INDEPENDENT AUDITOR'S REPORT

August 25, 2008

Members of the Township Council
Owosso Charter Township
Shiawassee County, Michigan

We have audited the accompanying financial statements of the governmental activities, business type activities and major funds of Owosso Charter Township, Shiawassee County, Michigan as of and for the year ended March 31, 2008, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Owosso Charter Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business type activities and each major fund of Owosso Charter Township, Shiawassee County, Michigan as of March 31, 2008, and the respective changes in financial position and cash flows where applicable, of these activities and funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and budgetary comparison information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the Township's basic financial statements. The other supporting information described in the accompanying table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, it is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Dennis and Wengrich, P.C.

Certified Public Accountants

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2008

The following is a discussion and analysis of Owosso Charter Township's (the Township's) financial performance and position, providing an overview of the activities for the year ended March 31, 2008. This analysis should be read in conjunction with the Independent Auditor's Report and with the Township's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

On a government wide basis the following represents the most significant financial highlights for the year ended March 31, 2008.

Revenues from governmental activities were \$1,212,154 compared to \$1,203,232 for the prior year. Expenditures were \$717,706 compared to \$1,204,411 the prior year. Net assets for governmental activities increased \$462,882.

Income from business type activities was \$256,529 compared to \$209,350 for the prior year. Expenses were \$209,350 compared to \$264,282. Net assets for business activities increased \$47,179 before adjustment of \$(66,383) for decline in value of subsidiaries. Component unit activities had an increase of \$10,689 in net assets.

USING THIS ANNUAL REPORT

This annual report consists of series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of Owosso Charter Township as a whole and represent a longer-term view of the Township's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year, and whether the taxpayers have funded the full cost of providing government services.

The fund financial statements presents a short-term view; they tell us how the taxpayers' resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the operations of Owosso Charter Township in more detail than the government-wide financial statements by providing information about the Township's most significant funds.

OWOSSO CHARETER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2008

TOWNSHIP AS A WHOLE

The following table shows, in a condensed format, the net assets of the Township as of March 31, 2008:

Current Assets	\$ 3,591,576
Investment in Subsidiary (Utility Authority)	4,308,316
Capital Assets (Net of Depreciation)	<u>2,172,257</u>
 TOTAL ASSETS	 \$10,072,149
 Current Liabilities	 \$ (78,031)
Non-Current Assets/Long-Term	<u>(150,701)</u>
 TOTAL LIABILITIES	 \$ (228,732)
 NET ASSETS	 \$ <u>9,843,417</u>

The following table shows the change in net assets for the year ended March 31, 2008:

Program Revenues:	
Charges for Services – Governmental Activities	\$ 190,329
- Business-Type Activities	218,436
 General Revenues:	
State Shared Revenues	333,692
Property Tax Revenue	486,086
Metro Act Funds	6,304
Franchise Fees	35,256
Investment Income	109,287
Other General Revenues	<u>89,293</u>
 TOTAL REVENUES	 \$ <u>1,468,683</u>

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2008

TOWNSHIP AS A WHOLE (CONTINUED)

Program Expenses:	
General Government	\$ 271,865
Public Safety (Fire)	226,594
Public Works	76,078
Health & Welfare	118,565
Community & Economic Development	24,604
Water & Sewer	<u>209,350</u>
TOTAL EXPENSES	\$ 927,056
Change in Net Assets (Before Change in Subsidiary)	\$ 541,627
Change in Value of Subsidiary	(66,383)
Prior Period Adjustment – Fixed Assets	<u>(31,566)</u>
Change in Net Assets	\$ <u>443,678</u>

ENTITY-WIDE FINANCIAL STATEMENTS

The entity-wide statements report information about the Township as a whole using accounting methods used by private companies. The statement of net assets includes all of the Township's assets and liabilities. The statement of activities records all of the current year revenues and expenses regardless of when received or paid.

The two entity-wide statements report net assets and how they have changed. Net assets are the difference between the entity's assets and liabilities and this is one method to measure the entity's financial health or position.

Over time increases/decreases in the entity's net assets are an indicator of whether financial position is improving or deteriorating.

To assess overall health of the entity, you may also have to consider additional factors such as tax base changes, facility conditions and personnel changes.

All of the activities of the Township are reported as governmental activities, business-type activities and component unit activities. These include the General Fund, the ½ Mill Fire Fund, the Fire Fund, the Cemetery Fund, the Ambulance Fund, the Revolving and Improvement Fund, Water Fund, the Sewer Fund and Brownfield Redevelopment Fund.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2008

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the Township's funds, focusing on significant (major) funds not the Township as a whole. Funds are used to account for specific activities or funding sources. Some funds are required by law or bond covenants. The Township Council also may create them. Funds are established to account for funding and spending of specific financial resources and to show proper expenditures of those resources.

The Township has the following types of funds:

Governmental Funds – Some of the Township's activities are included in the governmental fund category. These funds are presented on the modified accrual basis, which is designed to show short-term financial information. You will note that the differences between the Township's entity-wide statements and the fund statements are disclosed in reconciling statements to explain the differences between them. The Township's governmental funds include the General Fund, the ½ Mill Fire Fund, the Fire Fund, the Cemetery Fund, the Ambulance Fund, and the Revolving and Improvement Fund.

Business Type Funds: The Township has a Water Fund and a Sewer Fund which includes the activity of providing water and sewer to Township residents.

Discretely Presented Component Unit: The Township has a Brownfield Redevelopment Authority. The Authority function is to promote the revitalization of environmentally distressed area within the Township. This fund is presented on the modified accrual basis, which is designed to show short-term financial information. You will note that the differences between the Township's entity-wide statement and the fund statement are disclosed in reconciling statements.

FINANCIAL ANALYSIS OF THE TOWNSHIP AS A WHOLE

Our cash position in both the governmental and business-type activities remain strong.

FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

The General Fund had an increase in fund balance of \$219,814. The ½ Mill Fire Fund had an increase in fund balance of \$32,000. The Fire Fund had an increase in fund balance of \$142,109. The Cemetery Fund had an increase in fund balance of \$2,990. The Ambulance Fund had an increase in fund balance of \$7,592. The Revolving and Improvement Fund had a decrease in fund balance of \$55,628. The Water Fund had an increase in net assets of \$12,620. The Sewer Fund had an increase in net assets of \$34,559 before decrease in value of subsidiaries of \$66,383.

The Brownfield Redevelopment Authority had an increase in fund balance of \$10,689

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2008

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

The Township's governmental activities invested \$269,992 in capital assets.
The Township's business-type activities paid \$5,807 of principal on long-term debt.
The Township's component unit activities paid \$5,419 of principal on long-term debt.

KNOWN FACTORS AFFECTING FUTURE OPERATIONS

The future of state revenue sharing is very clouded and it represents a significant portion of our income.

CONTACTING THE TOWNSHIP'S MANAGEMENT

This financial report is intended to provide our taxpayers, creditors, investors, and customers with a general overview of the Township's finances and to demonstrate the Township's accountability for the revenues it receives. If you have any questions concerning this report, please contact the Township Clerk or Township Treasurer at (989) 723-2187.

BASIC FINANCIAL STATEMENTS

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
GOVERNMENT-WIDE STATEMENT OF NET ASSETS
MARCH 31, 2008

	Governmental <u>Activities</u>	<u>Primary Government</u> Business-Type <u>Activities</u>	<u>Total</u>	<u>Component Unit</u>
ASSETS:				
CURRENT ASSETS:				
Cash & Cash Equivalents	\$1,329,711	\$ 270,764	\$ 1,600,475	\$ 6,858
Investments	853,340	982,193	1,835,533	
Accounts Receivable		18,561	18,561	
Due from Component Unit	5,130	56,500	61,630	
Due from Other Gov't Units	39,149		39,149	6,708
Due from Other Funds	11,266		11,266	
Property Taxes Rec.	<u>3,893</u>	<u>21,069</u>	<u>24,962</u>	
TOTAL CURRENT ASSETS	<u>\$2,242,489</u>	<u>\$1,349,087</u>	<u>\$ 3,591,576</u>	<u>\$ 13,566</u>
NON-CURRENT ASSETS:				
CAPITAL ASSETS:				
Construction in Progress	\$ 13,000	\$	\$ 13,000	\$
Land/Rights of Way	1	397,680	397,681	
Other Capital Assets - Net of Accum. Deprec.	<u>1,656,328</u>	<u>105,248</u>	<u>1,761,576</u>	
TOTAL NON-CURRENT ASSETS	<u>\$1,669,329</u>	<u>\$ 502,928</u>	<u>\$ 2,172,257</u>	<u>\$</u>
OTHER ASSETS:				
Investment in Subsidiary	\$	\$4,308,316	\$ 4,308,316	\$
TOTAL OTHER ASSETS	\$	<u>\$4,308,316</u>	<u>\$ 4,308,316</u>	<u>\$</u>
TOTAL ASSETS	<u>\$3,911,818</u>	<u>\$6,160,331</u>	<u>\$10,072,149</u>	<u>\$ 13,566</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
GOVERNMENT-WIDE STATEMENT OF NET ASSETS (CONTINUED)
MARCH 31, 2008

	<u>Governmental</u> <u>Activities</u>	<u>Primary Government</u> <u>Business-Type</u> <u>Activities</u>	<u>Total</u>	<u>Component Unit</u>
LIABILITIES & NET ASSETS:				
LIABILITIES:				
CURRENT LIABILITIES:				
Accounts Payable	\$ 9,983	\$ 245	\$ 10,228	\$
Due to Other Funds	52		52	61,630
Pension Payable	540		540	
Accrued Interest Payable		60,982	60,982	
Note Payable – Current		<u>6,229</u>	<u>6,229</u>	
TOTAL CURRENT LIAB.	<u>\$ 10,575</u>	<u>\$ 67,456</u>	<u>\$ 78,031</u>	<u>\$ 61,630</u>
NON-CURRENT LIAB:				
Loan Payable – State of MI	\$	\$	\$	\$ 44,473
Loan Payable – Land	<u> </u>	<u>150,701</u>	<u>150,701</u>	<u> </u>
TOTAL NON-CURRENT LIABILITIES	<u>\$</u>	<u>\$ 150,701</u>	<u>\$ 150,701</u>	<u>\$ 44,473</u>
TOTAL LIABILITIES	<u>\$ 10,575</u>	<u>\$ 218,157</u>	<u>\$ 228,732</u>	<u>\$ 106,103</u>
NET ASSETS:				
Invested in Capital Assets, Net of Related Debt	\$1,669,329	\$ 345,998	\$ 2,015,327	\$
Restricted for Improvements & Maintenance				
Unrestricted	<u>2,231,914</u>	<u>5,596,176</u>	<u>7,828,090</u>	<u>(92,537)</u>
TOTAL NET ASSETS	<u>\$3,901,243</u>	<u>\$5,942,174</u>	<u>\$ 9,843,417</u>	<u>\$(92,537)</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$3,911,818</u>	<u>\$6,160,331</u>	<u>\$10,072,149</u>	<u>\$ 13,566</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
GOVERNMENT WIDE STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2008

		<u>Program Services</u>	<u>Net (Expenses) Revenues</u>			<u>Brownfield</u>
		<u>Charges</u>	<u>And Changes in Net Assets</u>			<u>Component</u>
	<u>Expenses</u>	<u>For Services</u>	<u>Gov't</u>	<u>Type</u>	<u>Totals</u>	<u>Unit</u>
			<u>Activities</u>	<u>Activities</u>		
FUNCTIONS/PROGRAMS						
PRIMARY GOVERNMENT						
Governmental Activities:						
General Gov't.	\$271,865	\$ 51,812	\$ (220,053)	\$	\$ (220,053)	\$ (1,192)
Public Safety-Fire	226,594	108,912	(117,682)		(117,682)	
Public Works	76,078		(76,078)		(76,078)	
Health & Welfare	118,565	29,605	(88,960)		(88,960)	
Community & Economic Development	24,604		(24,604)		(24,604)	
TOTAL GOV'T ACTIVITIES	\$717,706	\$190,329	\$ (527,377)	\$	\$ (527,377)	\$ (1,192)
Business-Type Activities:						
Sewer	\$193,811	\$193,684	\$	\$ (127)	\$ (127)	\$
Water	15,539	24,752		9,213	9,213	
TOTAL BUSINESS-TYPE ACTIVITIES	\$209,350	\$218,436	\$	\$ 9,086	\$ 9,086	\$
TOTAL PRIMARY GOV'T.			\$ (527,377)	\$ 9,086	\$ (518,291)	\$
General Revenues:						
Property Taxes/Admin. Fees			\$ 486,086	\$	\$ 486,086	\$ 17,675
Metro Act			6,304		6,304	
State Shared Revenue			333,692		333,692	
Unrestricted Investment Earnings			71,194	38,093	109,287	13
Franchise Fees			35,256		35,256	
Miscellaneous Other Revenue			89,293		89,293	
TOTAL GENERAL REVENUES			\$1,021,825	\$ 38,093	\$1,059,918	\$ 17,688
Change in Net Assets			\$ 494,448	\$ 47,179	\$ 541,627	\$ 16,496
Change in Investment Subsidiary				(66,383)	(66,383)	
Net Assets – Beginning			3,438,361	5,961,378	9,399,739	(109,033)
Prior Period Adjustments			(31,566)		(31,566)	
NET ASSETS – ENDING			\$3,901,243	\$5,942,174	\$9,834,417	\$ (92,537)

See accompanying notes to financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2008

	<u>General</u>	<u>½ Mill Fire</u>	<u>Fire</u>	<u>Cemetery</u>	<u>Ambulance</u>	<u>Revolving & Improve.</u>	<u>Total</u>
ASSETS:							
CURRENT ASSETS:							
Cash & Cash Equiv. \$	690,785	\$185,560	\$301,622	\$ 8,190	\$143,554	\$	\$1,329,711
Investments	289,409		563,931				853,340
Due from Component Unit	5,130						5,130
Due from Other Gov't Units	15,201	5,747	11,490		6,711		39,149
Due from Other Funds	4,950	850	4,026		1,440		11,266
Property Taxes Rec.	<u>1,956</u>	<u>486</u>	<u>1,451</u>	<u> </u>	<u> </u>	<u> </u>	<u>3,893</u>
TOTAL CURRENT ASSETS	\$1,007,431	\$192,643	\$882,520	\$ 8,190	\$151,705	\$	\$2,242,489
RESTRICTED ASSETS:							
Cash & Cash Equiv. \$	<u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
TOTAL RESTRICTED ASSETS	\$	\$	\$	\$	\$	\$	\$
TOTAL ASSETS	<u>\$1,007,431</u>	<u>\$192,643</u>	<u>\$882,520</u>	<u>\$ 8,190</u>	<u>\$151,705</u>	<u>\$</u>	<u>\$2,242,489</u>
LIABILITIES AND FUND BALANCES:							
LIABILITIES:							
Accounts Payable \$	5,746	\$	\$ 3,055	\$ 1,182	\$	\$	\$ 9,983
Due to Other Funds	52						52
Pension Payable	<u>540</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>540</u>
TOTAL LIAB.	\$ 6,338	\$	\$ 3,055	\$ 1,182	\$	\$	\$ 10,575
FUND BALANCES:							
Restricted	\$	\$	\$	\$	\$	\$	\$
Unreserved	<u>1,001,093</u>	<u>192,643</u>	<u>879,465</u>	<u>7,008</u>	<u>151,705</u>	<u> </u>	<u>2,231,914</u>
TOTAL FUND BALANCES	<u>\$1,001,093</u>	<u>\$192,643</u>	<u>\$879,465</u>	<u>\$ 7,008</u>	<u>\$151,705</u>	<u>\$</u>	<u>\$2,231,914</u>
TOTAL LIABILITIES & FUND BAL.	<u>\$1,007,431</u>	<u>\$192,643</u>	<u>\$882,520</u>	<u>\$ 8,190</u>	<u>\$151,705</u>	<u>\$</u>	<u>\$2,241,489</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
MARCH 31, 2008

TOTAL FUND BALANCES – GOVERNMENTAL FUNDS	\$2,231,914
Total Net Assets Reported for Governmental Activities in the Statement of Net Assets are Different Because –	
Capital Assets used in Governmental Activities are not Financial Resources and therefore are not reported in the Governmental Funds Balance Sheet:	
Capital Assets at Cost	3,516,654
Accumulated Depreciation	<u>(1,847,325)</u>
TOTAL NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$3,901,243</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2008

	<u>General</u>	<u>½ Mill Fire</u>	<u>Fire</u>	<u>Cemetery</u>	<u>Ambulance</u>	<u>Revolving & Improve.</u>	<u>Total</u>
REVENUES:							
Property Taxes	\$153,821	\$ 70,399	\$ 140,774	\$	\$ 78,950	\$	\$ 443,944
State Rev. Sharing	333,692						333,692
Charges for Serv.			108,912	7,221	29,605		145,738
Trailer Taxes	2,292						2,292
Permits & Licenses	44,591						44,591
Admin. Fees	42,142						42,142
Metro Act	6,304						6,304
Penalties	1,614	80					1,694
Franchise Fees	35,256						35,256
Int/Dividends	28,847	4,833	35,032	12	2,037	433	71,194
Other Income	43,873		41,394	40			85,307
TOTAL REV.	\$692,432	\$ 75,312	\$ 326,112	\$ 7,273	\$110,592	\$ 433	\$1,212,154
EXPENDITURES:							
General Govt.	\$235,202	\$	\$	\$14,283	\$	\$ 9,500	\$ 258,985
Public Safety	18,118	43,312	184,003				245,433
Public Works	231,255						231,255
Health & Welfare					103,000		103,000
Community & Econ. Development	24,604						24,604
TOTAL EXPEND.	\$509,179	\$ 43,312	\$ 184,003	\$ 14,283	\$103,000	\$ 9,500	\$ 863,277
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$183,253	\$ 32,000	\$ 142,109	\$ (7,010)	\$ 7,592	\$ (9,067)	\$ 348,877

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2008

	<u>General</u>	<u>½ Mill Fire</u>	<u>Fire</u>	<u>Cemetery</u>	<u>Ambulance</u>	<u>Revolv. & Improve.</u>	<u>Total</u>
OTHER SOURCES OF FUNDS:							
Transfers In	\$ 46,561	\$	\$	\$ 10,000	\$	\$	\$ 56,561
Transfers Out	<u>(10,000)</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>(46,561)</u>	<u>(56,561)</u>
TOTAL OTHER SOURCES OF FUNDS	\$ <u>36,561</u>	\$ <u> </u>	\$ <u> </u>	\$ <u>10,000</u>	\$ <u> </u>	\$ <u>(46,561)</u>	\$ <u> </u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES & OTHER SOURCES OF FUNDS							
	\$ 219,814	\$ 32,000	\$ 142,109	\$ 2,990	\$ 7,592	\$ (55,628)	\$ 348,877
Fund Balance April 1, 2007	<u>781,279</u>	<u>160,643</u>	<u>737,356</u>	<u>4,018</u>	<u>144,113</u>	<u>55,628</u>	<u>1,883,037</u>
FUND BALANCE AT MARCH 31, 2008	\$ <u>1,001,093</u>	\$ <u>192,643</u>	\$ <u>879,465</u>	\$ <u>7,008</u>	\$ <u>151,705</u>	\$ <u> </u>	\$ <u>2,231,914</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2008

Net Changes in Fund Balances – Total Government Funds	\$ 348,877
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Total Change in Net Assets Reported for Governmental Activities
in the Statement of Activities is different because:

Governmental Funds Report Capital Outlays as Expenditures:
However, in the Statement of Activities, these costs are
allocated over their estimated useful lives and reported as
depreciation expense.

Depreciation Expense	(124,420)
Capital Outlay	<u>269,991</u>

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$494,448</u>
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The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
MARCH 31, 2008

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
ASSETS:			
CURRENT ASSETS:			
Cash & Cash Equivalents	\$199,553	\$ 71,211	\$ 270,764
Investments		982,193	982,193
Customer Receivables	9,976		9,976
Due from Component Unit		56,500	56,500
Accounts Receivable – Quarterly		8,585	8,585
Accounts Receivable – Special Assmts.		16,122	16,122
Accounts Receivable – County Delinq.		<u>4,947</u>	<u>4,947</u>
TOTAL CURRENT ASSETS	<u>\$209,529</u>	<u>\$1,139,558</u>	<u>\$1,349,087</u>
NON-CURRENT ASSETS:			
Capital Assets:			
Land	\$	\$ 397,680	\$ 397,680
Other Capital Assets	222,030	885,855	1,107,885
Less: Accumulated Depreciation	<u>(116,782)</u>	<u>(885,855)</u>	<u>(1,002,637)</u>
TOTAL NON-CURRENT ASSETS	<u>\$105,248</u>	<u>\$ 397,680</u>	<u>\$ 502,928</u>
OTHER ASSETS:			
Investment in Subsidiary	\$ _____	\$4,308,316	\$4,308,316
TOTAL OTHER ASSETS	\$ _____	<u>\$4,308,316</u>	<u>\$4,308,316</u>
TOTAL ASSETS	<u>\$314,777</u>	<u>\$5,845,554</u>	<u>\$6,160,331</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
STATEMENT OF NET ASSETS (CONTINUED)
PROPRIETARY FUNDS
MARCH 31, 2008

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
LIABILITIES & NET ASSETS:			
CURRENT LIABILITIES:			
Accounts Payable	\$ 245	\$	\$ 245
Accrued Interest Payable		60,982	60,982
Note Payable – Current		<u>6,229</u>	<u>6,229</u>
TOTAL CURRENT LIABILITIES	\$ <u>245</u>	\$ <u>67,211</u>	\$ <u>67,456</u>
LONG-TERM LIABILITIES:	\$ _____	\$ <u>150,701</u>	\$ <u>150,701</u>
NET ASSETS:			
Retained Earnings:			
Invested in Capital Assets, Net of Related Debt	\$105,248	\$ 397,680	\$ 502,928
Restricted			
Unrestricted	<u>209,284</u>	<u>5,229,962</u>	<u>5,439,246</u>
TOTAL NET ASSETS	<u>\$314,532</u>	<u>\$5,627,642</u>	<u>\$5,942,174</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$314,777</u>	<u>\$5,845,554</u>	<u>\$6,160,331</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHLAWASSEE COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
OPERATING REVENUES:			
Water Sales	\$ 24,752	\$	\$ 24,752
Sewer Disposal Services		185,518	185,518
Tap-in Fees		6,546	6,546
Rent		<u>1,620</u>	<u>1,620</u>
TOTAL OPERATING REVENUES	\$ <u>24,752</u>	\$ <u>193,684</u>	\$ <u>218,436</u>
OPERATING EXPENSES:			
Interest Expense	\$	\$ 10,056	\$ 10,056
Supplies	208	9	217
Operating Supplies/Maintenance	1,931	154,967	156,898
Contractual Services	4,000		4,000
Insurance	1,784		1,784
Utilities	2,641	22,473	25,114
Professional Fees	34		34
Depreciation	<u>4,941</u>	<u>6,306</u>	<u>11,247</u>
TOTAL OPERATING EXPENSES	\$ <u>15,539</u>	\$ <u>193,811</u>	\$ <u>209,350</u>
OPERATING INCOME (LOSS)	\$ <u>9,213</u>	\$ <u>(127)</u>	\$ <u>9,086</u>
NON-OPERATING REVENUES:			
Interest	\$ 3,407	\$ 31,296	\$ 34,703
Dividends		<u>3,390</u>	<u>3,390</u>
TOTAL NON-OPERATING REVENUES	\$ <u>3,407</u>	\$ <u>34,686</u>	\$ <u>38,093</u>
CHANGE IN NET ASSETS	\$ 12,620	\$ 34,559	\$ 47,179
Net Assets, Beginning of Year	301,912	5,659,466	5,961,378
Decrease in Value of Subsidiary		<u>(66,383)</u>	<u>(66,383)</u>
NET ASSETS, END OF YEAR	<u>\$314,532</u>	<u>\$5,627,642</u>	<u>\$5,942,174</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDING MARCH 31, 2008

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers	\$ 24,284	\$ 184,325	\$ 208,609
Cash Received from Component Unit		11,500	11,500
Cash Payments to Suppliers for			
Goods & Services	(9,891)	(187,509)	(197,400)
Cash Payments to Employees for Serv.	<u>(4,000)</u>	<u> </u>	<u>(4,000)</u>
NET CASH PROVIDED (USED) BY			
OPERATING ACTIVITIES	\$ <u>10,393</u>	\$ <u>8,316</u>	\$ <u>18,709</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES:			
Principal Payments – LTD.	\$ <u> </u>	\$ <u>(5,419)</u>	\$ <u>(5,419)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Dividends	\$	\$ 3,390	\$ 3,390
Interest Income	<u>3,407</u>	<u>31,296</u>	<u>34,703</u>
NET CASH FLOWS FROM			
INVESTING ACTIVITIES	\$ <u>3,407</u>	\$ <u>34,686</u>	\$ <u>38,093</u>
NET INCREASE (DECREASE)			
IN CASH	\$ 13,800	\$ 37,583	\$ 51,383
Balances – Beginning of Year	<u>185,753</u>	<u>1,015,821</u>	<u>1,201,574</u>
BALANCES – END OF YEAR	\$ <u>199,553</u>	\$ <u>1,053,404</u>	\$ <u>1,252,957</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Income (Loss) from Operations	\$ 9,213	\$ (127)	\$ 9,086
Adjustments to Reconcile Income (Loss) from Operations to Net Cash Provided (Used) by Operating Activities:			
Depreciation	4,941	6,306	11,247
Increase (Decrease) in Due from Component		11,500	11,500
(Increase) Decrease in Receivables	(468)	(9,363)	(9,831)
Increase (Decrease) in Payables	<u>(3,293)</u>	<u> </u>	<u>(3,293)</u>
NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES	<u>\$ 10,393</u>	<u>\$ 8,316</u>	<u>\$ 18,709</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BALANCE SHEET
FIDUCIARY FUNDS
MARCH 31, 2008

	<u>Tax Account</u>	<u>Trust & Agency</u>	<u>Total</u>
ASSETS:			
Cash in Bank	\$ 9,041	\$2,027	\$11,068
Due from Other Funds		<u>52</u>	<u>52</u>
TOTAL ASSETS	<u>\$ 9,041</u>	<u>\$2,079</u>	<u>\$11,120</u>
LIABILITIES AND FUND BALANCES:			
Due to Other Governments	\$	\$1,732	\$ 1,732
Due to General Fund	4,101	347	4,448
Due to Fire Fund	3,500		3,500
Due to Ambulance Fund	<u>1,440</u>		<u>1,440</u>
TOTAL LIABILITIES	\$ 9,041	\$2,079	\$11,120
FUND BALANCE	\$_____	\$_____	\$_____
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 9,041</u>	<u>\$2,079</u>	<u>\$11,120</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
STATEMENT OF CHANGES IN NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2008

RECEIPTS:

Current Property Taxes	\$3,956,587
Delinquent Taxes & Penalties	59,030
Dog Licenses	130
Interest Income & Penalties	6,326
Overpaid Taxes	<u>6,195</u>
TOTAL RECEIPTS	\$4,028,268

DISBURSEMENTS:

Shiawassee County	\$2,222,334
State of Michigan	47,218
Shiawassee Library	162,095
RESD	203
Owosso Schools	1,042,757
Ovid/Elsie Schools	12,738
Clinton County	5,361
General Fund	212,317
Fire Fund	140,844
Fire Fund – ½ Mill	69,080
Ambulance Fund	78,404
Sewer Fund	28,873
Brownfield Fund	10,968
Refund Overpaid Taxes	<u>6,195</u>
TOTAL DISBURSEMENTS	\$4,039,387

EXCESS RECEIPTS OVER DISBURSEMENTS	\$ (11,119)
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Beginning Cash Balance	<u>20,160</u>
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ENDING CASH BALANCE	<u>\$ 9,041</u>
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The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
STATEMENT OF CHANGES IN NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2008

Trust &
Agency Account

RECEIPTS:

Trailer Tax Income	\$13,749
Payroll Taxes	<u>38,699</u>
TOTAL RECEIPTS	<u>\$52,448</u>

DISBURSEMENTS:

Trailer Taxes to County/State	\$11,458
Trailer Taxes to General Fund	2,292
Payroll Taxes	36,638
Bank Charges	<u>33</u>
TOTAL DISBURSEMENTS	<u>\$50,421</u>

EXCESS RECEIPTS OVER DISBURSEMENTS	\$ 2,027
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Beginning Cash Balance	<u> </u>
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ENDING CASH BALANCE	<u>\$ 2,027</u>
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The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BALANCE SHEET
COMPONENT UNIT
MARCH 31, 2008

Brownfield
Redevelopment Authority

ASSETS:

Cash in Bank	\$ 6,858
A/R – County	<u>6,708</u>
TOTAL ASSETS	\$ <u>13,566</u>

LIABILITIES AND FUND BALANCES

CURRENT LIABILITIES:

Due to Sewer Fund	\$ 56,500
Due to General Fund	<u>5,130</u>
TOTAL CURRENT LIABILITIES	\$ 61,630

FUND BALANCE:

Unreserved	\$ (48,064)
TOTAL FUND BALANCE	\$ <u>13,566</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
RECONCILIATION OF BALANCE SHEET OF COMPONENT UNIT
TO THE STATEMENT OF NET ASSETS
MARCH 31, 2008

TOTAL FUND BALANCE – COMPONENT UNIT	\$ (48,064)
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Total Net Assets Reported for Component Unit Activities in the
Statement of Net Assets are different because:

Long-Term Liabilities are not Due and Payable in the Current Period and are not Reported in the Component Units Balance Sheet	(44,473)
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TOTAL NET ASSETS – COMPONENT UNIT ACTIVITIES	\$ <u>(92,537)</u>
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The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNIT
FOR THE YEAR ENDED MARCH 31, 2008

Brownfield
Redevelopment Authority

REVENUES:

Property Taxes	\$ 17,675
Interest	<u>13</u>
TOTAL REVENUES	\$ <u>17,688</u>

EXPENDITURES:

Long-Term Debt Payment:	
Bank Charges	\$ 61
Interest	1,131
Principal	<u>5,807</u>
TOTAL EXPENDITURES	\$ <u>6,999</u>

EXCESS OF REVENUES OVER EXPENDITURES	\$ <u>10,689</u>
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OTHER USES OF FUNDS:

Transfer to Primary Government	\$ _____
TOTAL OTHER USES OF FUNDS	\$ _____

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES OF FUNDS	\$ 10,689
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Fund Balance at April 1, 2007	(<u>58,753</u>)
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FUND BALANCE AT MARCH 31, 2008	\$ (<u>48,064</u>)
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The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF COMPONENT UNITS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2008

Net Changes in Fund Balance – Component Unit	\$10,689
Total Change in Net Assts Reported for Component Unit Activities in the Statement of Activities is different because:	
Component Unit Funds report repayment of loan principal as an Expenditure, but not in the Statement of Activities (where it reduces long-term debt)	
Loan Principal Repayment – State of Michigan	<u>5,807</u>
CHANGE IN NET ASSETS OF COMPONENT UNIT ACTIVITIES	<u>\$16,496</u>

The accompanying notes are an integral part of the financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Owosso Charter Township, Shiawassee County, Michigan, conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Owosso Charter Township.

1 – REPORTING ENTITY

Owosso Charter Township is governed by a seven member Board. The accompanying financial statements present the government and its component unit, entities for which the government is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government (see discussion below for description).

JOINT VENTURES

Owosso Township entered into a joint venture with Caledonia Township for the creation of a Utility Authority. Owosso Township owns 50% of the authority's equity. MCGA Statement 7 requires that this investment be shown on Owosso Township's financial records (Sewer Usage Fund) an Enterprise Fund, using the equity method of accounting. The Utility Authority has 6 board members. Each Township appoints 3 individuals to the board. The Utility Authority budgets and finances are governed entirely by this 6 person board. Following is a summary of the Utility Authority (all amounts shown are as of December 31, 2007, the year end for the Utility Authority).

Total Assets	<u>\$8,620,129</u>
Total Liabilities	<u>\$ 3,497</u>
Total Equity – General Fund Contribution Capital	\$8,367,032
- Retained Earnings	<u>249,600</u>
	<u>\$8,616,632</u>
Total Revenue	<u>\$ 528,819</u>
Total Expenditures – General Fund	\$ 665,961
(Depreciation on Assets Acquired by Grants)	<u>(185,617)</u>
	<u>\$ 480,344</u>
Net Income from Operations	<u>\$ 48,475</u>

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1 – REPORTING ENTITY (CONTINUED)

OWOSSO-CALEDONIA UTILITY AUTHORITY

Owosso Township is responsible for 50% of all liabilities. The asset ownership corresponds to the liability percentage.

Owosso Township's share of the Utility Authority is as follows:

Assets	\$4,310,065
Liabilities	1,749
Equity	4,308,316
Change in Equity	(66,383)

Owosso Township's share of the joint venture debt is disclosed in other footnotes. It is shown as a debt on the Sewer Usage Fund.

All income of the Sewer Usage Fund come from the Utility Authority (shown as an expense of the Utility Authority).

DISCRETELY PRESENTED COMPONENT UNIT

The Brownfield Redevelopment Authority was established to promote the revitalization of environmentally distressed area within the Township. Board members are appointed by the Board. The Brownfield Authority is fiscally dependent upon the Township, because the Board approves its budget, levies taxes and must approve any debt issuance. The Redevelopment Authority is presented as a governmental type fund.

2 – GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements, (The Statement of Net Assets and the Statement of Changes in Net Assets) report information on all of the non-fiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2 – GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, intergovernmental payments and other items properly excluded from program revenues are reported as general revenue.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individuals governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements.

3 – MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT
PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted resources are applied first.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected with the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Those revenues susceptible to accrual are property taxes, special assessments, licenses, interest revenue, and charges for services. Fines, permits, and other license revenues are not susceptible to accrual because generally they are not measurable until received in cash.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENTAL FUNDS

General Funds – This fund is used to account for all financial transactions except those required to be accounted for in another fund. The fund includes the general operating expenditures of the local unit. Revenues are derived primarily from property taxes, state and federal distributions, grants, and other intergovernmental revenues.

Special Revenue Funds – These funds are used to account for specific governmental revenues requiring separate accounting because of legal or regulatory provisions or administrative action.

PROPRIETARY FUNDS

ENTERPRISE FUNDS

These funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that period determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer Enterprise Funds are charged to customers for services. The Enterprise Funds also recognize as operating revenues the tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the Enterprise Fund include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

FIDUCIARY FUNDS

Trust Funds – These funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, other governments and/or funds.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4 – ASSETS, LIABILITIES AND NET ASSETS OR EQUITY

CASH AND CASH EQUIVALENTS

Cash and cash equivalent investments include cash on hand, demand deposits and certificates of deposit with a maturity of three months or less when acquired. They are stated at fair value.

RECEIVABLES AND PAYABLES

Receivables have been recognized for all significant amounts due to the Township. Allowances for uncollectible accounts have not been provided for in that collection is not considered doubtful and any uncollected amount would be immaterial.

In general, outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "due to/from other funds." Outstanding balances between the primary government and the discretely presented component units are reported as "due to/from primary government and due to/from component unit."

INVENTORIES AND PREPAID ITEMS

Inventories of supplies are considered to be immaterial and are not recorded. Certain payments to vendors reflect costs applicable to future fiscal years, however, the amount was immaterial, and therefore no prepaid items are reported.

PROPERTY TAXES

Taxes levied on December 1, are payable on February 14. The Township bills and collects its own property taxes and also taxes for the county and local school districts. Collections of the county and school taxes remittances of them are accounted for in the current tax collection fund. Township property taxes are recognized when levied to the extent that they result in current receivables.

The Township is permitted by the Municipal Finance Law of the State to levy taxes up to 1 mill for general governmental services. 1.4865 mill is levied to pay for fire services and .9485 mill is levied for the general fund.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY TAXES (CONTINUED)

The delinquent real property taxes of the Township are purchased by the County of Shiawassee. The County intends to sell tax notes, the proceeds of which will be used to pay the Township for these property taxes. This took place in April 2008. These taxes have been recorded as revenue for the current year.

The taxable value is \$136,880,147.

ENCUMBRANCES

Encumbrances involving the current recognition of purchase orders, contracts and other commitments for future expenditures are not recorded.

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$300 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings & Additions	50 years
Building Improvements	20 years
Furniture, Fixtures and Equipment	3 to 7 years
Infrastructure	15 to 20 years
Water Towers	50 years
Wells	20 years

COMPENSATED ABSENCES (VACATION AND SICK PAY)

The Township does not pay sick or vacation time for its employees.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

POST-EMPLOYMENT BENEFITS – COBRA BENEFITS

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA) the Township makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. There are no participants in this program as of March 31, 2008.

LONG-TERM OBLIGATIONS

In the government-wide financial statements and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, or proprietary fund type statement of net assets.

FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

COMPARATIVE DATA

Comparative data is not included in the Township's financial statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE B – BUDGETS AND BUDGETARY ACCOUNTING

The following procedures are followed in establishing the budgetary data reflected in these financial statements:

1. Prior to the beginning of the fiscal year, the proposed budget for each budgetary fund is submitted to the Township Board for consideration.
2. The proposed budgets include expenditures as well as the methods of financing them.
3. Public hearings are held to obtain taxpayer comments.
4. The budgets are adopted at the activity level by a majority vote of the Township Board.
5. The budgets are adopted on the modified accrual basis of accounting.
6. The originally adopted budgets can be amended during the year by a majority vote of the Township Board. The Township Clerk is authorized to transfer budgeted amounts between classifications within any fund. These adjustments must be approved by the Township Board at the next meeting.
7. The adopted budgets are used as a management control device, during the year, for all budgetary funds.
8. Budget appropriations lapse at the end of each fiscal year.
9. The budgeted amounts shown in these financial statements are the originally adopted budgets with all amendments that were approved by the Township Board during the fiscal year.
10. The Brownfield Authority, a discretely presented component unit, follows the same procedures as the Township in establishing their budget.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE B – BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

During the year, the Township incurred expenditures in certain budgeted funds which were in excess of the amounts appropriated, as follows

<u>Budgeted Item</u>	<u>Budget Appropriation</u>	<u>Actual Expenditure</u>
General – Township Board – Supplies	\$	\$ 4,104
General – Township Hall – Snowplowing	3,000	3,065
General – Zoning – Telephone	1,500	1,515
Cemetery – Operating Supplies/Maintenance	3,010	3,176
Cemetery – Repairs & Maintenance	1,900	1,920
Revolving & Improvement – Capital Outlay		9,500
Sewer – Interest Expense		10,056
Water – Utilities	2,400	2,641
Brownfield – Contractual		6,999

NOTE C – DEPOSITS

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States government or federal agency obligations; repurchase agreements; banker's acceptance of the United States banks; commercial paper rated within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE C – DEPOSITS (CONTINUED)

The Township Board has designated three banks for the deposit of Township funds. The investment policy adopted by the council in accordance with Public Act 196 of 1997 has authorized investment in all investments authorized by state law as listed above.

The Township's deposits and investment policy are in accordance with statutory authority.

The Government Accounting Standards Board Statement No. 3, risk disclosure for the cash deposits are as follows:

	<u>Carrying Amounts</u>	
	<u>Primary Government</u>	<u>Component Unit</u>
FDIC Insured	\$ 308,038	\$ 6,858
Uninsured/Uncollateralized	<u>1,303,406</u>	
Total Deposits	<u>\$1,611,444</u>	<u>\$ 6,858</u>

Amounts in the bank balances are without considering deposit in transit or uncleared checks.

	<u>Bank Balances</u>	
	<u>Primary Government</u>	<u>Component Unit</u>
	<u>\$2,202,907</u>	<u>\$ 879</u>

Cash and cash equivalents caption on the government-wide statement of net assets includes \$100 in imprest cash.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE D – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund transfers is as follows:

<u>Transfers In</u>		<u>Transfers Out</u>	
Primary Government		Primary Government	
General Fund	\$ 46,561	General Fund	\$ 10,000
Cemetery Fund	<u>10,000</u>	Revolving & Improvement	<u>46,561</u>
	\$ <u>56,561</u>		\$ <u>56,561</u>

The composition of interfund receivables/payables is as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due from Component</u>	
General	\$ 4,950	\$ 5,130	Tax Revenues & Reimbursements for clean-up.
Fire – ½ Mill	851		Tax Revenues
Fire	4,026		Tax Revenues
Ambulance	1,440		Tax Revenues
Trust & Agency	52		Tax Revenues
Sewer	<u> </u>	<u>56,500</u>	Reimburse for monies borrowed for clean-up
	\$ <u>11,319</u>	\$ <u>61,630</u>	

<u>Fund</u>	<u>Due to Other Funds</u>	<u>Due to Primary</u>	
General	\$ 52	\$ 5,130	
Trust & Agency	347		
Sewer		56,500	
Tax	<u>10,920</u>	<u> </u>	
	\$ <u>11,319</u>	\$ <u>61,630</u>	

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE E – CAPITAL ASSETS

Capital asset activity of the Township's Governmental and Proprietary activities for the current year was as follows:

	<u>Balance</u> <u>3-31-07</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>3-31-08</u>
GOVERNMENTAL ACTIVITIES:				
Capital Assets not being Depreciated:				
Construction in Progress	\$	\$ 13,000	\$	\$ 13,000
Land	<u>25,001</u>	<u> </u>	<u>(25,000)</u>	<u>1</u>
	\$ 25,001	\$ 13,000	\$ (25,001)	\$ 13,001
Capital Assets being Depreciated:				
Land Improvements	\$ 233,860	\$	\$ (25,752)	\$ 208,108
Buildings	1,050,294	53,541		1,103,835
Infrastructures	499,773	184,785		684,558
Machinery & Equipment	468,061	9,104	(75,813)	401,352
Office Equipment & Furn.	120,265	9,561	(56,564)	73,262
Vehicles	<u>1,067,033</u>	<u> </u>	<u>(34,495)</u>	<u>1,032,538</u>
TOTAL	\$3,439,286	\$256,991	\$(192,624)	\$ 3,503,653
Accumulated Depreciation	<u>(1,908,963)</u>	<u>(124,420)</u>	<u>186,058</u>	\$(1,847,325)
Net Capital Assets being Depreciation	<u>1,530,323</u>	<u>132,571</u>	<u>(6,566)</u>	\$ <u>1,656,328</u>
NET GOVERNMENTAL CAPITAL ASSETS	<u>\$1,555,324</u>	<u>\$145,571</u>	<u>\$ (31,566)</u>	<u>\$ 1,669,329</u>

Physical inventory of fixed assets on March 31, 2008 resulted with a loss on disposal of assets of \$31,566 which has been recorded as a prior period adjustment in the government wide statements.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE E – CAPITAL ASSETS (CONTINUED)

	<u>Balance</u> <u>3-31-07</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>3-31-08</u>
BUSINESS-TYPE ACTIVITIES:				
Capital Assets not being Depreciated:				
Land	\$ <u>397,680</u>	\$ _____	\$ _____	\$ <u>397,860</u>
Capital Assets being Depreciated:				
Buildings	\$	\$	\$	\$
Equipment				
Sewer System	885,855			885,855
Water Towers/Wells	<u>222,030</u>	<u>16,695</u>	_____	<u>222,030</u>
TOTAL	\$1,107,885	\$ _____	\$ _____	\$1,107,885
Accumulated Depreciation	<u>(991,390)</u>	<u>(11,247)</u>	_____	<u>(1,002,637)</u>
Net Capital Assets being Depreciated	<u>116,495</u>	<u>(11,247)</u>	_____	<u>105,248</u>
NET BUSINESS-TYPE CAPITAL ASSETS	\$ <u>514,175</u>	\$ <u>(11,247)</u>	\$ _____	\$ <u>502,928</u>

NOTE F – INVESTMENTS

Investing is performed in accordance with the investment policy of Owosso Charter Township. Any investments must be made in compliance with Public Act 20 of 1943, as amended. Edward Jones handles the investment activity for Owosso Charter Township and understands the investment policy and Public Act 20 of 1943, as amended. The Township's investments at March 31, 2008, are composed as follows:

<u>Fund</u>	<u>Total</u>	<u>Cash/</u> <u>Money Market</u>	<u>Unit Trusts</u>	<u>Bonds</u>
General	\$ 289,409	\$ 61,417	\$	\$227,992
Sewer	982,193	125,666	467,343	389,184
Fire	<u>563,931</u>	<u>310,404</u>	_____	<u>253,527</u>
	<u>\$1,835,533</u>	<u>\$497,487</u>	<u>\$467,343</u>	<u>\$870,703</u>

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE G – PENSION

The Township established a pension for certain employees, effective August 1, 1991. The Township contributes 7.65% of the employee's salary. Voluntary contributions up to 10% of compensation are permissible by the employee. The Township contributed \$10,861 for the year ended March 31, 2008 for pension expense.

NOTE H – BROWNFIELD FUND DEFICIT

The Brownfield Fund has a deficit. A fund deficit is impermissible under P.A. 275 of 1980. A deficit elimination plan has been submitted to the Michigan Department of Treasury. The Brownfield Fund deficit at March 31, 2008 is \$48,064.

NOTE I – LONG-TERM DEBT – COMPONENT UNIT AND PROPRIETARY FUNDS

The Township established a Brownfield Redevelopment Authority to clean up contaminated sites. To fund the cleanup, the Authority borrowed \$70,000 from the State of Michigan. The loan is payable with interest at 2 ¼% per annum, commencing June 30, 2004. The loan is secured by state shared revenues and the full faith and credit of the township.

A summary of changes in long-term debt follows:

	Balance <u>4-01-07</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>3-31-08</u>
Component Unit				
State of Michigan Payment	\$ <u>50,279</u>	\$ _____	\$ <u>5,807</u>	\$ <u>44,472</u>
Proprietary Funds				
Sewer Fund-Land Payment	\$ <u>162,349</u>	\$ _____	\$ <u>5,419</u>	\$ <u>156,930</u>

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE I – LONG-TERM DEBT – COMPONENT UNIT AND PROPRIETARY FUNDS (CONTINUED)

Annual debt service requirements to maturity for the above obligations are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Component Unit			
2008	\$ 5,807	\$ 1,131	\$ 6,938
2009	5,937	1,001	6,938
2010	6,071	867	6,938
2011	6,207	731	6,938
2012	6,347	591	6,938
2013	6,490	448	6,938
After	<u>13,421</u>	<u>455</u>	<u>13,876</u>
	<u>\$ 50,280</u>	<u>\$ 5,224</u>	<u>\$ 55,504</u>
Proprietary Funds – Sewer			
2008	\$ 5,419	\$ 10,056	\$ 15,475
2009	6,229	9,246	15,475
2010	6,613	8,862	15,475
2011	7,021	8,454	15,475
2012	7,454	8,021	15,475
2013	7,913	7,562	15,475
After	<u>121,700</u>	<u>43,363</u>	<u>165,063</u>
	<u>\$162,349</u>	<u>\$ 95,564</u>	<u>\$257,913</u>

NOTE J – RISK MANAGEMENT

The Township is exposed to various risks of loss related property loss, torts, errors, omissions and employee injuries (workers' compensation). The Township has purchased commercial insurance for property loss, torts, and workers' compensation claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

NOTE K - BUILDING PERMITS

As of March 31, 2008, the Township had building permit revenues of \$44,591 and building permit expenses of \$18,118.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE L – SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The Township maintains two Enterprise Funds which provide sewer and water services. Segment information for the year ended March 31, 2008, is as follows:

	<u>Sewer Fund</u>	<u>Water Fund</u>
Operating Revenues	\$ 193,684	\$ 24,752
Depreciation Expense	6,306	4,941
Net Income (Loss)	34,559	12,620
Net Working Capital	5,627,642	314,532
Net Assets	5,845,554	314,777

NOTE M – MUNICIPAL FUND SERVICE CONTRACT

Owosso Charter Township has entered into a Municipal Fund Service Contract for the years 2004 through 2039 with a residential apartment complex. This contract pays Owosso Charter Township ambulance fees in lieu of property taxes. All fees are due by February 14, each year as follows:

<u>Year</u>	<u>Amount</u>
2004 – 2010	\$ 5,500
2011 – 2015	6,000
2016 – 2020	6,500
2021 – 2026	7,000
2027 – 2032	7,500
2033 – 2039	8,000

Ambulance fees are paid in addition to the above schedule. In addition, the complex pays 4% of gross revenues to the Township.

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE N – DEFERRED COMPENSATION

The Township does not have a deferred compensation plan.

NOTE O – INSURANCE RECOVERIES

During the construction of the new fire station on North M-52, an incident of vandalism occurred resulting in the Township filing an insurance claim for damages. As a result of the claim the insurance company, Great West Casualty, reimbursed the Township in the amount of \$40,914.

REQUIRED
SUPPLEMENTARY
INFORMATION

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
REVENUES:				
Property Taxes	\$153,300	\$153,300	\$153,821	\$ 521
State Revenue Sharing	320,000	320,000	333,692	13,692
Trailer Taxes	2,000	2,000	2,292	292
Permits & Licenses	25,000	25,000	44,591	19,591
Service Agreements – Stoney Creek	4,000	4,000		(4,000)
Admin. Fees	5,800	5,800	42,142	36,342
Metro Act	6,000	6,000	6,304	304
Penalties			1,614	1,614
Franchise Fee			35,256	35,256
Interest	5,000	5,000	27,693	22,693
Dividends			1,154	1,154
Misc. Income	<u>4,100</u>	<u>4,100</u>	<u>43,873</u>	<u>39,773</u>
TOTAL REVENUES	<u>\$525,200</u>	<u>\$525,200</u>	<u>\$692,432</u>	<u>\$167,232</u>
EXPENDITURES:				
Township Board:				
Salaries	\$ 25,000	\$ 25,000	\$ 18,750	\$ (6,250)
Payroll Taxes	1,000	1,000	551	(449)
Pension	8,500	14,500	9,746	(4,754)
Supplies			4,104	4,104
Attorney Fees	20,000	20,000	15,016	(4,984)
Audit	4,500	6,000	5,890	(110)
Mileage	500	500	291	(209)
Printing & Publishing	2,000	2,000	1,405	(595)
Education & Training	6,500	7,000	6,925	(75)
Miscellaneous	<u>500</u>	<u>500</u>		<u>(500)</u>
TOTAL BOARD	<u>\$ 68,500</u>	<u>\$ 76,500</u>	<u>\$ 62,678</u>	<u>\$ (13,822)</u>
Supervisor:				
Salaries	\$ 18,500	\$ 18,500	\$ 17,910	\$ (590)
Supplies	14,000	14,000	296	(13,704)
Mileage	<u>500</u>	<u>500</u>	<u>68</u>	<u>(432)</u>
TOTAL SUPERVISOR	<u>\$ 33,000</u>	<u>\$ 33,000</u>	<u>\$ 18,274</u>	<u>\$ (14,726)</u>

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES:				
Assessor:				
Salaries	\$ 21,000	\$ 21,000	\$ 20,000	\$ (1,000)
Payroll Taxes	400	400	290	(110)
Supplies	5,000	5,000	2,458	(2,542)
Computers/Software	<u>3,500</u>	<u>3,500</u>	<u>1,914</u>	<u>(1,586)</u>
TOTAL ASSESSOR	\$ <u>29,900</u>	\$ <u>29,900</u>	\$ <u>24,662</u>	\$ <u>(5,238)</u>
Elections:				
Salaries	\$ 2,000	\$ 2,000	\$ 1,341	\$ (659)
Supplies	5,000	5,000	1,676	(3,324)
Printing & Publishing	2,000	2,000	44	(1,956)
Repairs & Maintenance	500	500	35	(465)
Rental	<u>500</u>	<u>500</u>	<u>250</u>	<u>(250)</u>
TOTAL ELECTIONS	\$ <u>10,000</u>	\$ <u>10,000</u>	\$ <u>3,346</u>	\$ <u>(6,654)</u>
Clerk:				
Salaries	\$ 18,600	\$ 18,600	\$ 18,250	\$ (350)
Salaries – Deputy	4,000	4,000	1,212	(2,788)
Payroll Taxes	600	600	357	(243)
Supplies	1,500	1,500	1,144	(356)
Computers/Software	9,000	9,000	2,650	(6,350)
Mileage	<u>600</u>	<u>600</u>	<u>348</u>	<u>(252)</u>
TOTAL CLERK	\$ <u>34,300</u>	\$ <u>34,300</u>	\$ <u>23,961</u>	\$ <u>(10,339)</u>
Board of Review:				
Salaries	\$ 1,200	\$ 1,200	\$ 800	\$ (4000)
Payroll Taxes	100	100	61	(39)
Mileage	100	100		(100)
Printing & Publishing	<u>100</u>	<u>200</u>	<u>140</u>	<u>(60)</u>
TOTAL BOARD OF REVIEW	\$ <u>1,500</u>	\$ <u>1,600</u>	\$ <u>1,001</u>	\$ <u>(599)</u>

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
EXPENDITURES:				
Treasurer:				
Salaries	\$ 18,200	\$ 18,200	\$ 18,000	\$ (200)
Salaries – Deputy	4,000	4,000	3,759	(241)
Payroll Taxes	600	600	549	(51)
Supplies	4,000	4,000	3,198	(802)
Tax Preparation	7,500	7,500	4,429	(3,071)
Computers/Software	<u>1,800</u>	<u>1,800</u>	<u>850</u>	<u>(950)</u>
TOTAL TREASURER	<u>\$ 36,100</u>	<u>\$ 36,100</u>	<u>\$ 30,785</u>	<u>\$ (5,315)</u>
Township Hall:				
Salaries	\$ 5,000	\$ 5,000	\$ 1,323	\$ (3,677)
Payroll Taxes	400	400	101	(299)
Supplies	3,500	3,500	47	(3,453)
Operating Supplies & Maint.	2,500	2,500	1,012	(1,488)
Gas & Oil	1,000	1,000	487	(513)
Trash Pickup	750	750		(750)
Telephone	2,000	2,000	1,826	174)
Snowplowing	2,000	3,000	3,065	65
Insurance	21,000	21,000	19,858	(1,142)
Utilities	10,000	10,000	7,587	(2,413)
Repairs & Maint.	15,000	15,000	10,108	(4,892)
Capital Outlay	<u>366,350</u>	<u>350,450</u>	<u>25,081</u>	<u>(325,369)</u>
TOTAL TOWNSHIP HALL	<u>\$429,500</u>	<u>\$414,600</u>	<u>\$ 70,495</u>	<u>\$(344,105)</u>
Building Inspection:				
Salaries	\$ 19,000	\$ 19,000	\$ 12,458	\$ (6,542)
Payroll Taxes	1,500	1,500	953	(547)
Supplies	1,000	1,000	(12)	(1,012)
Contractual Services	12,000	9,200	4,349	(4,851)
Mileage	500	500	83	(417)
Printing & Publishing	700	700		(700)
Education & Training	1,000	1,000	287	(713)
Miscellaneous	<u>1,000</u>	<u>1,000</u>		<u>(1,000)</u>
TOTAL BUILDING INSPECT.	<u>\$ 36,700</u>	<u>\$ 33,900</u>	<u>\$ 18,118</u>	<u>\$ (15,782)</u>

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
EXPENDITURES:				
Zoning:				
Salaries	\$ 8,000	\$ 14,500	\$ 10,592	\$ (3,908)
Payroll Taxes	700	700	686	(14)
Supplies	500	500	95	(405)
Attorney Fees	15,000	15,000		(15,000)
Contractual Services	8,000	11,000	3,213	(7,787)
Computers/Software	2,800	2,800	2,392	(408)
Telephone	1,500	1,500	1,515	15
Mileage		100	43	(57)
Printing & Publishing	1,600	1,600	1,438	(162)
Utilities	2,600	2,600	1,791	(809)
Education & Training	2,000	2,000	90	(1,910)
TOTAL ZONING	\$ 42,700	\$ 52,300	\$ 21,855	\$ (30,445)
Street Lights:				
Community Promotions	\$ 5,000	\$ 5,000	\$ 2,000	\$ (3,000)
Weeds	6,500	6,500	2,910	(3,590)
Drains	20,000	20,000	2,781	(17,219)
Street Lights	16,000	16,000	14,235	(1,765)
Roads	250,000	250,000	209,329	(40,671)
TOTAL STREET LIGHTS	\$ 297,500	\$ 297,500	\$ 231,255	\$ (66,245)
Other:				
Industrial Park	\$ 20,000	\$ 20,000	\$	\$ (20,000)
Miscellaneous	50,000	50,000		(50,000)
Airport	3,000	3,000	2,749	(251)
TOTAL OTHER	\$ 73,000	\$ 73,000	\$ 2,749	\$ (70,251)
TOTAL EXPENDITURES	\$1,092,700	\$1,092,700	\$ 509,179	\$(583,521)
EXCESS (DEFICIENCY) OF				
REVENUES OVER				
EXPENDITURES	\$ (567,500)	\$ (567,500)	\$ 183,253	\$ 750,753

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
OTHER USES OF FUNDS:				
Transfers from other Funds	\$	\$	\$ 46,561	\$ 46,561
Transfers to other Funds	<u>(20,000)</u>	<u>(20,000)</u>	<u>(10,000)</u>	<u>10,000</u>
TOTAL OTHER USES OF FUNDS	\$ <u>(20,000)</u>	\$ <u>(20,000)</u>	\$ <u>36,561</u>	\$ <u>56,561</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES OF FUNDS	\$ <u>(587,500)</u>	\$ <u>(587,500)</u>	\$ 219,814	\$ <u>807,314</u>
Fund Balance at April 1, 2007			<u>781,279</u>	
FUND BALANCE AT MARCH 31, 2008			<u>\$1,001,093</u>	

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
½ MILL FIRE FUND
FOR THE YEAR ENDED MARCH 31, 2008

	Budgeted Amounts			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget Over (Under)</u>
REVENUES:				
Property Taxes	\$ 67,850	\$ 67,850	\$ 70,479	\$ 2,629
Interest	<u>400</u>	<u>400</u>	<u>4,833</u>	<u>4,433</u>
TOTAL REVENUES	\$ <u>68,250</u>	\$ <u>68,250</u>	\$ <u>75,312</u>	\$ <u>7,062</u>
EXPENDITURES:				
Operating Supplies & Maint.	\$ 10,000	\$ 21,000	\$ 20,850	\$ (150)
Repairs & Maintenance	10,000	10,000	4,152	(5,848)
Capital Outlay	<u>142,250</u>	<u>131,250</u>	<u>18,310</u>	<u>(112,940)</u>
TOTAL EXPENDITURES	\$ <u>162,250</u>	\$ <u>162,250</u>	\$ <u>43,312</u>	\$ <u>(118,938)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ <u>(94,000)</u>	\$ <u>(94,000)</u>	\$ <u>32,000</u>	\$ <u>126,000</u>
OTHER SOURCES OF FUNDS:				
Transfer In	\$ _____	\$ _____	\$ _____	\$ _____
Transfer Out	_____	_____	_____	_____
TOTAL TRANSFERS	\$ _____	\$ _____	\$ _____	\$ _____
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES & OTHER SOURCES OF FUNDS	\$ <u>(94,000)</u>	\$ <u>(94,000)</u>	\$ <u>32,000</u>	\$ <u>126,000</u>
Fund Balance at April 1, 2007			<u>160,643</u>	
FUND BALANCE AT MARCH 31, 2008			<u>\$192,643</u>	

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
FIRE FUND
FOR THE YEAR ENDED MARCH 31, 2008

	Budgeted Amounts			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget Over (Under)</u>
REVENUES:				
Property Taxes	\$ 130,000	\$ 130,000	\$ 140,774	\$ 10,774
Charges for Services	110,000	110,000	108,912	(1,088)
Interest & Dividends	5,000	5,000	35,032	30,032
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>41,394</u>	<u>40,394</u>
TOTAL REVENUES	\$ <u>246,000</u>	\$ <u>246,000</u>	\$ <u>326,112</u>	\$ <u>80,112</u>
EXPENDITURES:				
Salaries	\$ 95,000	\$ 95,000	\$ 58,092	\$ (36,908)
Payroll Taxes	7,500	7,500	3,645	(3,855)
Pension	1,500	1,600	1,115	(485)
Supplies	12,000	12,000	718	(11,282)
Operating Supplies/Maint.	10,000	10,000	6,809	(3,191)
Gas & Oil	6,000	6,000	2,284	(3,716)
Audit	2,000	2,000	2,000	
Computers/Software	3,000	3,000	300	(2,700)
Communications	7,500	7,500	4,521	(2,979)
Community Promotions	5,000	5,000	3,452	(1,548)
Insurance	25,000	25,000	17,748	(7,252)
Utilities	12,000	14,100	14,046	(54)
Repairs & Maint.	35,000	35,000	12,114	(22,886)
Hydrant Rental	4,000	4,000	2,376	(1,624)
Professional Fees	8,000	9,300	9,211	(89)
Education & Training	5,500	5,500	3,422	(2,078)
Capital Outlay	<u>588,000</u>	<u>584,500</u>	<u>42,150</u>	<u>(542,350)</u>
TOTAL EXPENDITURES	\$ <u>827,000</u>	\$ <u>827,000</u>	\$ <u>184,003</u>	\$ <u>(642,997)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	\$ <u>(581,000)</u>	\$ <u>(581,000)</u>	\$ <u>142,109</u>	\$ <u>723,109</u>
OTHER SOURCES OF FUNDS:				
Transfer In	\$ _____	\$ _____	\$ _____	\$ _____
Transfer Out	_____	_____	_____	_____
TOTAL OTHER SOURCES OF FUNDS	\$ _____	\$ _____	\$ _____	\$ _____
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES & OTHER SOURCES OF FUNDS	\$ <u>(581,000)</u>	\$ <u>(581,000)</u>	\$ <u>142,109</u>	\$ <u>723,109</u>
Fund Balance at April 1, 2007			<u>737,356</u>	
FUND BALANCE AT MARCH 31, 2008			\$ <u>879,465</u>	

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
CEMETERY FUND
FOR THE YEAR ENDED MARCH 31, 2008

	Budgeted Amounts			Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Grave Opening/Close	\$ 4,000	\$ 4,000	\$ 5,496	\$ 1,496
Foundations	500	500	450	(50)
Cemetery Lots	2,000	2,000	1,275	(725)
Interest & Penalties	25	25	12	(13)
Miscellaneous			40	40
TOTAL REVENUES	<u>\$ 6,525</u>	<u>\$ 6,525</u>	<u>\$ 7,273</u>	<u>\$ 748</u>
EXPENDITURES:				
Salaries	\$ 7,200	\$ 7,440	\$ 7,440	\$
Payroll Taxes	575	575	569	(6)
Supplies		300	287	(13)
Operating Supplies/Maint.	4,450	3,010	3,176	166
Gas & Oil	750	750	368	(382)
Insurance	600	600	420	(180)
Utilities	150	150	103	(47)
Repairs & Maintenance	1,000	1,900	1,920	20
Professional Fees	<u>500</u>	<u>500</u>		<u>(500)</u>
TOTAL EXPENDITURES	<u>\$ 15,225</u>	<u>\$ 15,225</u>	<u>\$ 14,283</u>	<u>\$ (942)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (8,700)</u>	<u>\$ (8,700)</u>	<u>\$ (7,010)</u>	<u>\$ 1,690</u>
OTHER SOURCES OF FUNDS:				
Transfer In	\$ 7,500	\$ 7,500	\$ 10,000	\$ 2,500
Transfer Out				
TOTAL OTHER SOURCES OF FUNDS	<u>\$ 7,500</u>	<u>\$ 7,500</u>	<u>\$ 10,000</u>	<u>\$ 2,500</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES OF FUNDS	<u>\$ (1,200)</u>	<u>\$ (1,200)</u>	<u>\$ 2,990</u>	<u>\$ 4,190</u>
Fund Balance at April 1, 2007			<u>4,018</u>	
FUND BALANCE AT MARCH 31, 2008			<u>\$ 7,008</u>	

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
AMBULANCE FUND
FOR THE YEAR ENDED MARCH 31, 2008

	Budgeted Amounts			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u> <u>Over (Under)</u>
REVENUES:				
Property Taxes	\$ 80,000	\$ 80,000	\$ 78,950	\$ (1,050)
Charges for Services	31,800	31,800	29,605	(2,195)
Miscellaneous	<u>1,500</u>	<u>1,500</u>	<u>2,037</u>	<u>533</u>
TOTAL REVENUES	<u>\$113,300</u>	<u>\$113,300</u>	<u>\$110,592</u>	<u>\$ (2,708)</u>
EXPENDITURES:				
Operating Supplies/Maintenance	\$ 66,300	\$ 66,300	\$	\$ (66,300)
Audit	2,000	2,000	1,000	(1,000)
Billings	5,000	5,000		(5,000)
Professional Fees	<u>102,000</u>	<u>102,000</u>	<u>102,000</u>	<u></u>
TOTAL EXPENDITURES	<u>\$175,300</u>	<u>\$175,300</u>	<u>\$103,000</u>	<u>\$ (72,300)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$(62,000)</u>	<u>\$(62,000)</u>	<u>\$ 7,592</u>	<u>\$ 69,592</u>
OTHER SOURCES OF FUNDS:				
Transfer in	\$	\$	\$	\$
Transfer Out	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL OTHER SOURCES OF FUNDS	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES OF FUNDS	<u>\$(62,000)</u>	<u>\$(62,000)</u>	<u>\$ 7,592</u>	<u>\$ 69,592</u>
Fund Balance at April 1, 2007			<u>144,113</u>	
FUND BALANCE AT MARCH 31, 2008			<u>\$151,705</u>	

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
REVOLVING AND IMPROVEMENT FUND
FOR THE YEAR ENDED MARCH 31, 2008

	Budgeted Amounts			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u> <u>Over (Under)</u>
REVENUES:				
Interest	\$ _____	\$ _____	\$ 433	\$ 433
TOTAL REVENUES	\$ _____	\$ _____	\$ 433	\$ 433
EXPENDITURES:				
Capital Outlay	\$ _____	\$ _____	\$ 9,500	\$ 9,500
TOTAL EXPENDITURES	_____	_____	9,500	9,500
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ _____	\$ _____	\$ (9,067)	\$ 9,067
OTHER SOURCES OF FUNDS:				
Transfer In	\$ _____	\$ _____	\$ _____	\$ _____
Transfer Out	_____	_____	(46,561)	46,561
TOTAL OTHER SOURCES OF FUNDS	\$ _____	\$ _____	\$ (46,561)	\$ 46,561
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES OF FUNDS	\$ _____	\$ _____	\$ (55,628)	\$(55,628)
Fund Balance at April 1, 2007			55,628	
FUND BALANCE AT MARCH 31, 2008			\$ 0	

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
SEWER FUND
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
OPERATING REVENUES:				
Sewer Usage Income	\$ 105,000	\$ 105,000	\$ 185,518	\$ 80,518
Tap-in Fees			6,546	6,546
Rent	<u>1,000</u>	<u>1,000</u>	<u>1,620</u>	<u>620</u>
TOTAL OPERATING REV.	\$ <u>106,000</u>	\$ <u>106,000</u>	\$ <u>193,684</u>	\$ <u>87,684</u>
OPERATING EXPENSES:				
Interest Expense	\$	\$	\$ 10,056	\$ 10,056
Operating Supplies/Maintenance	227,255	204,255	154,967	(49,288)
Supplies	<u>1,000</u>	<u>1,000</u>	<u>9</u>	<u>(991)</u>
Utilities		23,000	22,473	(527)
Depreciation			<u>6,306</u>	<u>6,306</u>
TOTAL OPERATING EXPENSES	\$ <u>228,255</u>	\$ <u>228,255</u>	\$ <u>193,811</u>	\$ <u>(34,444)</u>
OPERATING INCOME (LOSS)	\$ <u>(122,255)</u>	\$ <u>(122,255)</u>	\$ <u>(127)</u>	\$ <u>122,128</u>
NON-OPERATING INCOME (LOSS)				
Dividends	\$	\$	\$ 3,390	\$ 3,390
Interest Revenue	<u>1,500</u>	<u>1,500</u>	<u>31,296</u>	<u>29,796</u>
TOTAL NON-OPERATING REVENUE	\$ <u>1,500</u>	\$ <u>1,500</u>	\$ <u>34,686</u>	\$ <u>33,186</u>
OTHER USES OF FUNDS:				
Transfer In				
Transfer Out				
TOTAL OTHER USES OF FUNDS	\$	\$	\$	\$
NET INCOME (LOSS)	\$ <u>(120,755)</u>	\$ <u>(120,755)</u>	\$ 34,559	\$ <u>155,314</u>
Retained Earnings at April 1, 2007			5,659,466	
Decrease in Value of Subsidiary			<u>(66,383)</u>	
RETAINED EARNINGS AT MARCH 31, 2008			<u>\$5,627,642</u>	

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
WATER FUND
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
OPERATING REVENUES:				
Charges for Services	\$ <u>23,944</u>	\$ <u>23,944</u>	\$ <u>24,752</u>	\$ <u>808</u>
TOTAL OPERATING REVENUES	\$ <u>23,944</u>	\$ <u>23,944</u>	\$ <u>24,752</u>	\$ <u>808</u>
OPERATING EXPENSES:				
Supplies	\$	\$ 500	\$ 208	\$ (292)
Operating Supplies/Maintenance		2,000	1,931	(69)
Contractual Services		4,000	4,000	
Insurance		5,000	1,784	(3,216)
Utilities		2,400	2,641	(241)
Repairs & Maintenance		2,000		(2,000)
Professional Fees		20,000	34	(19,966)
Capital Outlay		180,600		(180,600)
Depreciation			4,941	4,941
TOTAL OPERATING EXPENSES	\$	\$ <u>216,500</u>	\$ <u>15,539</u>	\$ <u>(200,961)</u>
OPERATING INCOME (LOSS)	\$ <u>23,944</u>	\$ <u>(192,556)</u>	\$ <u>9,213</u>	\$ <u>201,769</u>
NON-OPERATING INCOME (LOSS)				
Interest Revenue	\$ <u>3,558</u>	\$ <u>3,558</u>	\$ <u>3,407</u>	\$ <u>(151)</u>
TOTAL NON-OPERATING REVENUE	\$ <u>3,558</u>	\$ <u>3,558</u>	\$ <u>3,407</u>	\$ <u>(151)</u>
OTHER USES OF FUNDS:				
Transfer In	\$	\$	\$	\$
Transfer Out				
TOTAL OTHER USES OF FUNDS	\$	\$	\$	\$
NET INCOME (LOSS)	\$ <u>27,502</u>	\$ <u>(188,998)</u>	\$ <u>12,620</u>	\$ <u>201,618</u>
Retained Earnings at April 1, 2007			<u>301,912</u>	
RETAINED EARNINGS AT MARCH 31, 2008			<u>\$ 314,532</u>	

OWOSSO CHARTER TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BUDGETARY COMPARISON SCHEDULE
BROWNFIELD REDEVELOPMENT COMPONENT UNIT
FOR THE YEAR ENDED MARCH 31, 2008

	Budgeted Amounts			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u> <u>Over (Under)</u>
REVENUES:				
Property Taxes	\$	\$	\$ 17,675	\$ 17,675
Interest			13	13
TOTAL REVENUES	\$	\$	\$ 17,688	\$ 17,688
EXPENDITURES:				
Long-Term Debt Payment				
Interest	\$	\$	\$ 61	\$ 61
Bank Charges			1,131	1,131
Principal			5,807	5,807
TOTAL EXPENDITURES	\$	\$	\$ 6,999	\$ 6,999
EXCESS OF REVENUES OVER EXPENDITURES	\$	\$	\$ 10,689	\$ 10,689
OTHER USES OF FUNDS:				
Transfer to Primary Government	\$	\$	\$	\$
TOTAL OTHER USES OF FUNDS	\$	\$	\$	\$
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES OF FUNDS	\$	\$	\$ 10,689	\$ 10,689
Fund Balance at April 1, 2007			(58,753)	
FUND BALANCE AT MARCH 31, 2008			\$ (48,064)	



DEMIS and WENZLICK, P.C.

Certified Public Accountants

James Demis, Jr., C.P.A.
LaVearn G. Wenzlick, C.P.A.
Lori S. Chant, C.P.A.
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Barbara Wenzlick
Bruce Wenzlick

August 25, 2008

Members of the Township Board
Owosso Charter Township
Shiawassee County, Michigan

In compliance with the provisions of Section 11, Paragraph 2, of Act 2, Public Acts of 1968, we wish to render our report of comments and recommendations which were formulated as a result of the examination our firm performed on the financial statements of the Township of Owosso for the year then ended March 31, 2008.

BUDGET

The Michigan Public Act 621 of 1978, includes compliance requirements in budgeting. Total expenditures cannot exceed total budgeted revenues plus beginning fund balance. Expenditures should be reviewed periodically and the budget amended before incurring any expense which would exceed the budgeted amount.

BROWNFIELD FUND DEFICIT

PA 275 of 1980 prohibits a fund deficit. The Brownfield Fund deficit was funded by loans from the sewer fund and the State of Michigan. This condition will result in the filing of a deficit elimination plan. We can assist in this preparation.

STONEY CREEK MSHDA PILOT

The Stoney Creek Pilot revenues were recognized in the General Fund. There appears to be uncertainty as to whether this is the correct procedure. We recommend the Board determine if any of this revenue is to be allocated to any other funds.

We wish to thank the board for the excellent cooperation we received in performing the township audit. If we can be of any further assistance to the township on these matters or any future matters please do not hesitate to contact us.

Domin and Wenglich, P.C.

Certified Public Accountants